

04589

MOUNTAIN WOMEN'S RESOURCE CENTER

REPORT ON EXAMINATION  
OF FINANCIAL STATEMENTS  
AND ADDITIONAL INFORMATION

YEAR ENDED SEPTEMBER 30, 2008  
(With Comparative Totals for 2007)

RECEIVED  
MAY 1 2009  
BY: \_\_\_\_\_

## CONTENTS

INDEPENDENT AUDITORS' REPORT .....	1
FINANCIAL STATEMENTS	
Statement of Financial Position .....	3
Statement of Activities .....	4
Statement of Functional Expenses .....	5
Combined Statement of Cash Flows .....	6
NOTES TO FINANCIAL STATEMENTS.....	7
ADDITIONAL INFORMATION	
Schedule of Expenditures of Federal and State Awards.....	16
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	18
SUPPLEMENTAL REPORTING REQUIREMENTS OF THE OFFICE OF EMERGENCY SERVICES	
Status of Cash .....	21
Statement of Approved Budget and Cumulative Expenditures .....	22
Statement of Costs Claimed and Accepted .....	24
Notes to Program Statements.....	25
Schedule of Findings and Questioned Costs .....	26

February 13, 2009

Guardian Counsel  
**Mountain Women's Resource Center**  
Sonora, California

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statement of financial position of **Mountain Women's Resource Center**, as of September 30, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the **Mountain Women's Resource Center's** management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the **Mountain Women's Resource Center's** September 30, 2007 financial statements and, in our report dated February 5, 2008, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Mountain Women's Resource Center**, at September 30, 2008, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2009 on our consideration of **Mountain Women's Resource Center's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal

control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The financial statements referred to in the foregoing opinion are set forth on pages 3 to 14, inclusive of this report. Our audit was performed for the purpose of forming an opinion on the basic financial statements of **Mountain Women's Resource Center** taken as a whole. The accompanying schedule of expenditures of federal and state awards and other information is presented for purposes of additional analysis, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in dark ink that reads "Randolph Scott & Co." in a cursive, flowing script.

Certified Public Accountants, Inc

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2008**  
**(With Comparative Totals for 2007)**

	Unrestricted	Temporarily Restricted	Total All Funds	
			9/30/2008	9/30/2007
<b><u>ASSETS</u></b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents (Note A)	\$ 161,496	\$ 14,260	\$ 175,756	\$ 96,454
Grants Receivable (Note D)	168,139		168,139	269,559
Accounts Receivable	12		12	659
Prepaid Expenses	11,314		11,314	12,845
Total Current Assets	<u>340,961</u>	<u>14,260</u>	<u>355,221</u>	<u>379,517</u>
<b>FIXED ASSETS (Note E)</b>	977,243		977,243	1,006,218
<b>OTHER ASSETS</b>				
Refundable Deposits	4,637		4,637	4,637
Workman's Compensation Deposit	1,012		1,012	1,012
Total Other Assets	<u>5,649</u>	<u>-</u>	<u>5,649</u>	<u>5,649</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,323,853</u>	<u>\$ 14,260</u>	<u>\$ 1,338,113</u>	<u>\$ 1,391,384</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable and Accrued Expenses	\$ 6,177	\$	\$ 6,177	\$ 26,347
Accrued Personal Leave	6,671		6,671	8,497
Advance & Deferred Revenue	10,214		10,214	17,497
Total Current Liabilities	<u>23,062</u>	<u>-</u>	<u>23,062</u>	<u>52,341</u>
<b>LOAN PAYABLE (Note F)</b>	1,000,000		1,000,000	1,000,000
<b>TENANT SAVINGS ACCOUNTS</b>	681		681	1,234
<b>COMMITMENTS AND CONTINGENCY (Note J)</b>				
Total Liabilities	<u>1,023,743</u>	<u>-</u>	<u>1,023,743</u>	<u>1,053,575</u>
<b>NET ASSETS:</b>				
Unrestricted	300,110		300,110	258,672
Equipment			-	2,136
Temporarily Restricted		14,260	14,260	77,001
	<u>300,110</u>	<u>14,260</u>	<u>314,370</u>	<u>337,809</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,323,853</u>	<u>\$ 14,260</u>	<u>\$ 1,338,113</u>	<u>\$ 1,391,384</u>

See Notes to Financial Statements.

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2008**  
(With Comparative Totals for 2007)

	Unrestricted	Temporarily Restricted	Year Ended	
			9/30/2008	9/30/2007
<b>REVENUES AND OTHER SUPPORT:</b>				
Grants and Contracts	\$ 714,402	\$ 5,000	\$ 719,402	\$ 741,714
Inkind (Note G)	93,750		93,750	51,534
Contributions	122,239		122,239	44,592
Participant Fees	-		-	11,921
Fundraising	46,973		46,973	61,186
Investment Income:				
Interest	1,168		1,168	3,711
Other Income	71,959		71,959	63,429
Net Assets Released From Restrictions (Note C):			-	-
Satisfaction of Program Restrictions	67,741	(67,741)	-	-
Expiration of Time Restrictions			-	-
Total Revenues and Other Support	<u>1,118,232</u>	<u>(62,741)</u>	<u>1,055,491</u>	<u>978,087</u>
<b>EXPENSES:</b>				
Program Services:				
Domestic Violence:				
OES	219,490		219,490	218,030
CDPH - Shelter Services	171,732		171,732	195,386
FESG	-		-	49,055
CALWORKS	20,625		20,625	23,917
Prop-10: Family Connections	-		-	22,382
Targeted Case Management			-	16,323
Other	49,626		49,626	41,140
CHAT	165,298		165,298	-
Sexual Assault:				
OES	150,987		150,987	162,382
Prevention:				
CDPH - Prevention Education	44,477		44,477	44,136
CDPH - Shelter Services	40,373		40,373	17,880
Other	1,375		1,375	15,327
Other Services:				
Marriage License	14,617		14,617	16,568
Birth Certificates	7,750		7,750	7,614
Other	44,560		44,560	16,496
Total Program Services	<u>930,910</u>	<u>-</u>	<u>930,910</u>	<u>846,636</u>
Administration:				
Unrestricted & General	72,886		72,886	93,389
Fundraising	9,232		9,232	26,333
Bequest Funds	63,765		63,765	26,635
Total Administration	<u>145,883</u>	<u>-</u>	<u>145,883</u>	<u>146,357</u>
Total Expenses	<u>1,076,793</u>	<u>-</u>	<u>1,076,793</u>	<u>992,993</u>
<b>CHANGE IN NET ASSETS</b>	41,438	(62,741)	(21,303)	(14,906)
<b>OTHER CHANGES TO NET ASSETS:</b>				
Depreciation charged to Equipment Net Assets (Note E)	(2,136)		(2,136)	(9,379)
<b>NET ASSETS, beginning of year</b>	<u>260,808</u>	<u>77,001</u>	<u>337,809</u>	<u>362,094</u>
<b>NET ASSETS, end of year</b>	<u>\$ 300,110</u>	<u>\$ 14,260</u>	<u>\$ 314,370</u>	<u>\$ 337,809</u>

See Notes to Financial Statements.

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2008**  
**(With Comparative Totals for 2007)**

	Unrestricted	Temporarily Restricted	Year Ended	
			9/30/2008	9/30/2007
<b>REVENUES AND OTHER SUPPORT:</b>				
Grants and Contracts	\$ 714,402	\$ 5,000	\$ 719,402	\$ 741,714
Inkind (Note G)	93,750		93,750	51,534
Contributions	122,239		122,239	44,592
Participant Fees	-		-	11,921
Fundraising	46,973		46,973	61,186
Investment Income:				
Interest	1,168		1,168	3,711
Other Income	71,959		71,959	63,429
Net Assets Released From Restrictions (Note C):			-	-
Satisfaction of Program Restrictions	67,741	(67,741)	-	-
Expiration of Time Restrictions			-	-
Total Revenues and Other Support	<u>1,118,232</u>	<u>(62,741)</u>	<u>1,055,491</u>	<u>978,087</u>
<b>EXPENSES:</b>				
Program Services:				
Domestic Violence:				
OES	219,490		219,490	218,030
CDPH - Shelter Services	171,732		171,732	195,386
FESG	-		-	49,055
CALWORKS	20,625		20,625	23,917
Prop-10: Family Connections	-		-	22,382
Targeted Case Management			-	16,323
Other	49,626		49,626	41,140
CHAT	165,298		165,298	-
Sexual Assault:				
OES	150,987		150,987	162,382
Prevention:				
CDPH - Prevention Education	44,477		44,477	44,136
CDPH - Shelter Services	40,373		40,373	17,880
Other	1,375		1,375	15,327
Other Services:				
Marriage License	14,617		14,617	16,568
Birth Certificates	7,750		7,750	7,614
Other	44,560		44,560	16,496
Total Program Services	<u>930,910</u>	<u>-</u>	<u>930,910</u>	<u>846,636</u>
Administration:				
Unrestricted & General	72,886		72,886	93,389
Fundraising	9,232		9,232	26,333
Bequest Funds	63,765		63,765	26,635
Total Administration	<u>145,883</u>	<u>-</u>	<u>145,883</u>	<u>146,357</u>
Total Expenses	<u>1,076,793</u>	<u>-</u>	<u>1,076,793</u>	<u>992,993</u>
<b>CHANGE IN NET ASSETS</b>	41,438	(62,741)	(21,303)	(14,906)
<b>OTHER CHANGES TO NET ASSETS:</b>				
Depreciation charged to Equipment Net Assets (Note E)	(2,136)		(2,136)	(9,379)
<b>NET ASSETS, beginning of year</b>	<u>260,808</u>	<u>77,001</u>	<u>337,809</u>	<u>362,094</u>
<b>NET ASSETS, end of year</b>	<u>\$ 300,110</u>	<u>\$ 14,260</u>	<u>\$ 314,370</u>	<u>\$ 337,809</u>

See Notes to Financial Statements.

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED SEPTEMBER 30, 2008**  
(With Comparative Totals for 2007)

	Domestic Violence	CHAT	Sexual Assault	SA Prevention	Other Services	Administration & Unrestricted	Year Ended 9/30/2008	9/30/2007
<b>Personnel Costs:</b>								
Salaries	\$ 256,173	80,785	\$ 86,406	\$ 55,757	\$ 48,760	\$ 24,859	\$ 552,740	\$ 543,636
Payroll Taxes	24,976	7,064	7,403	5,199	4,796	2,436	51,874	50,822
Employee Benefits	20,470	5,363	7,143	4,271	1,099	2,476	40,822	51,492
Worker's Compensation	4,214	695	690	743	387	173	6,902	9,114
Inkind Personnel	11,650	30,113	22,211	-	-	-	63,974	24,738
Total Personnel Costs	317,484	124,020	123,853	65,969	55,042	29,944	716,312	679,802
<b>Operating Costs:</b>								
Advertising	1,285	508	469	87	-	218	2,567	2,583
Answering Service	772	-	771	-	-	-	1,543	1,955
Appreciation/Thank You	-	-	-	-	-	1,923	1,923	1,404
Audit Expense	2,442	808	759	548	336	277	5,170	7,201
Capital Expenditures	-	-	-	-	-	-	-	-
Communication	2,639	720	1,342	452	577	131	5,861	6,539
Computer Expense	13,926	2,655	4,231	2,585	1,913	8,208	33,518	14,351
Consultants	407	720	-	-	-	753	1,880	10,040
Equipment Maintenance/Repair	1,291	603	596	406	410	254	3,560	2,823
Food & Supplies	4,698	-	-	-	-	1,190	5,888	981
Fundraising Expense	-	-	-	-	-	9,232	9,232	26,333
Insurance	9,528	51	1,888	1,467	1,113	774	14,821	12,400
Materials & Supplies	1,196	3,997	-	55	-	-	5,248	4,744
Mileage	1,011	484	404	424	1,053	101	3,477	3,255
Office Expense	3,642	3,856	1,196	722	556	803	10,775	13,427
Other	596	100	252	1,208	12	4,765	6,933	5,867
Postage & Shipping	643	150	254	209	105	2,906	4,267	1,595
Printing & Outside Copying	408	-	-	-	102	5,268	5,778	2,539
Rent	25,850	8,737	8,881	5,747	3,640	6,787	59,642	58,293
Rent & Other Expenses Inkind	26,796	2,980	-	-	-	-	29,776	26,796
Repairs & Maintenance	7,387	5,006	2,334	1,491	852	2,626	19,696	12,005
Shelter	18,765	-	-	1,542	-	1,385	21,692	13,882
Shelter - Transitional	13,173	-	-	130	-	-	13,303	29,588
Training & Conferences	1,037	4,062	1,180	1,218	-	40,687	48,184	20,299
Travel	1,829	4,315	909	991	459	200	8,703	8,789
Utilities	4,302	1,216	1,488	973	757	605	9,341	6,048
Victim Assistance	187	310	13	-	-	-	510	189
Volunteer Programs	180	-	167	-	-	7	354	227
Total Operating Costs	143,989	41,278	27,134	20,256	11,885	89,100	333,642	294,153
Total Expenses Before Depreciation	461,473	165,298	150,987	86,226	66,927	119,044	1,049,954	973,955
Depreciation	-	-	-	-	-	26,839	26,839	19,038
<b>TOTAL EXPENSES</b>	<b>\$ 461,473</b>	<b>165,298</b>	<b>\$ 150,987</b>	<b>\$ 86,226</b>	<b>\$ 66,927</b>	<b>\$ 145,883</b>	<b>\$ 1,076,793</b>	<b>\$ 992,993</b>

See Notes to Financial Statements.



**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**COMBINED STATEMENT OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2008**  
**(With Comparative Totals for 2007)**

	Year Ended September 30, 2008	Year Ended September 30, 2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (21,303)	\$ (14,906)
Adjustments to Reconcile Net Revenue and Support to Cash Provided by Operating Activities:		
Depreciation (Note E)	28,975	28,417
Depreciation charged to Equipment Net Assets (Note E)	(2,136)	(9,379)
(Increase)/Decrease in Assets:		
Grants Receivable	101,420	(47,361)
Accounts Receivable	647	779
Prepaid Expenses	1,531	1,264
Refundable Deposits	-	2,000
Workman's Compensation Deposit	-	-
Increase/(Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(20,169)	17,592
Accrued Personal Leave	(1,826)	4,057
Advance & Deferred Revenue	(7,284)	(104,580)
Tenant Savings Accounts	(553)	150
Total Adjustments	<u>100,605</u>	<u>(107,061)</u>
Net Cash Provided/(Used) by Operating Activities	<u>79,302</u>	<u>(121,967)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	<u>-</u>	<u>(25,530)</u>
Net Cash Provided/(Used) by Investing Activities	<u>-</u>	<u>(25,530)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds Received from Loan Payable	<u>-</u>	<u>-</u>
Net Cash Provided/(Used) by Financing Activities	<u>-</u>	<u>-</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	79,302	(147,497)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>96,454</u>	<u>243,951</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	\$ <u><u>175,756</u></u>	\$ <u><u>96,454</u></u>
<b>Supplemental Cash Flow Information:</b>		
Non-Cash Items: Inkind Donations Received	\$ <u><u>93,750</u></u>	\$ <u><u>51,534</u></u>

See Notes to Financial Statements.

## MOUNTAIN WOMEN'S RESOURCE CENTER

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2008

(With Comparative Totals for 2007)

#### NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### General

**Mountain Women's Resource Center** (the **Center**) is a nonprofit public benefit corporation established to provide a network of services to victims of sexual assault and domestic violence. The Center receives its funding from governmental grant awards and other support and donations. The majority of governmental funding is received from the Office of Emergency Services (OES) and the California Department of Health Services.

##### Major Programs

The major programs of the Center included community services for survivors of domestic violence or sexual assault. The services include counseling and support groups, a 24-hour crisis line, shelter, emergency food and clothing, and community education.

##### Basis of Accounting

The Center maintains its accounting records on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America

##### Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Center, the accounts of the Center are maintained in accordance with the principals of fund accounting. Fund accounting is the procedures by which resources for the various programs are classified for accounting and reporting according to the activities and objectives specified by donors, grantors, officials, and governing boards. Separate accounts are maintained for each fund.

##### Accounting in accordance with SFAS 116 and 117

The Center reports contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the asset contributed. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

## MOUNTAIN WOMEN'S RESOURCE CENTER

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2008

(With Comparative Totals for 2007)

#### NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, net assets, and revenue and expenses for the reporting period. Actual results could differ from those estimates.

##### Fair Values of Financial Instruments

The following methods and assumptions were used to estimate the fair value of financial instruments:

*Cash and Cash Equivalents:* The carrying amount reported in the balance sheet for cash and cash equivalents approximates its fair value.

*Accounts Receivable and Accounts Payable:* The carrying amounts of accounts receivable and accounts payable in the balance sheet approximates fair value.

*Advances and Deferred Revenue:* The carrying value of the Center's advances and deferred revenue approximates its fair value.

*Notes payable:* The carrying value of the Center's debt approximates fair value because of the variable nature of market interest rates.

##### Concentration of Credit Risk

Financial instruments that potentially subject the Center to concentrations of credit risk consist principally of uninsured cash balances. The Center places its cash deposits with high-credit, quality financial institutions. At times, balances in the Center's cash accounts may exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$100,000. At September 30, 2008, balances above the insured limits were approximately \$99,417.

##### Concentration of Revenue Sources

During the year ended September 30, 2008 the Center had two major revenue sources that together accounted for approximately 66% of the total revenue of the Center. The Office of Emergency Services, Criminal Justice Programs Divisions was approximately 43% of the revenue while the California Department of Health Services accounted for approximately 23% of the total revenue.

MOUNTAIN WOMEN'S RESOURCE CENTER

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2008

(With Comparative Totals for 2007)

NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –  
(Continued)

Cash and Cash Equivalents

Cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and investments so near their maturity that the risk of changes in value due to changes in interest rates is negligible. These are generally investments with maturity dates within three months of their acquisition date. Not included as cash equivalents are funds restricted as to their use, regardless of liquidity or the maturity dates of investments.

Prepaid Expenses

Prepaid expense balances are calculated and adjusted monthly to properly charge funds in the period benefited.

Fixed Assets

As further discussed in Note E, the Center reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Center's capitalization policy is for individual purchases over \$5,000 and with a useful life of three or more years. Property and equipment, and leasehold improvements are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets.

Restricted assets purchased with grantor funds which are expensed in the period acquired are recorded in the accompanying balance sheet as an asset, with a corresponding entry to net assets. In order to reflect the decrease in value over time of these assets, depreciation is charged directly to net assets annually. These assets are restricted to use only in the programs from which they were purchased.

## MOUNTAIN WOMEN'S RESOURCE CENTER

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2008

(With Comparative Totals for 2007)

#### NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### Personal Time Off

Regular full-time employees who work 36-40 hours per week accrue paid Personal Time Off (PTO) to be used for Vacation, Sick, Doctor Appointments, etc. in accordance with the following policy:

<b>Years of Service</b>	<b>Days Accrued</b>
1st year	13 days (Rate per hour 0.0527)
2nd - 3rd years	20 days (Rate per hour 0.0834)
4th + years	25 days (Rate per hour 0.1064)

Part-time employee who work 24-35 hours accrue PTO pro-rated according to hours worked. Temporary and part-time employees that work less than 24 hours do not accrue paid PTO. Employees do not accrue PTO time during the first six months of probationary employment.

The total accrued personal time off balance as of September 30, 2008 was \$6,671.

##### Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based upon the Center's allocation plan.

##### Income Taxes

The Center is exempt from Federal and State income tax under Section 501 (c)(3) of the Internal Revenue Code, and Section 23701(d) of the State of California Revenue and Taxation Code.

##### Summarized Information for 2007

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended September 30, 2007, from which the summarized information was obtained.

MOUNTAIN WOMEN'S RESOURCE CENTER

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2008

(With Comparative Totals for 2007)

NOTE B – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are part of the net assets of the Center resulting from contributions and other inflows of assets whose use by the Center is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Center pursuant to those stipulations. At September 30, 2008, temporarily restricted net assets consisted of the following:

Trust Funds	\$ 8,798
Blue Shield	5,462
	<u>\$ 14,260</u>

NOTE C – NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net Assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. For the year ended September 30, 2008, net assets released from donor restrictions were following.

Trust Funds	\$ 63,766
Blue Shield	3,975
	<u>\$ 67,741</u>

NOTE D – GRANTS RECEIVABLE

Grants receivable are deemed to be fully collectible by management and are composed of the following amounts due at September 30, 2008:

OES - Domestic Violence	\$ 44,195
CDPH - Shelter	39,997
OES - Sexual Assault	29,904
CDPH - Prevention Grant	16,933
CHAT	30,399
Other	6,711
	<u>\$ 168,139</u>

**MOUNTAIN WOMEN'S RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2008**

**(With Comparative Totals for 2007)**

**NOTE E – FIXED ASSETS**

The following is a summary of the changes in fixed assets for the year ended September 30, 2008:

	Cost 9/30/2008	Accumulated Depreciation	Book Value
Building	\$ 734,000	\$ 45,875	\$ 688,125
Building Improvements	6,879	1,490	5,389
Equipment	30,364	24,402	5,962
Software	16,945	5,178	11,767
Vehicles	17,941	17,941	-
Furniture & Fixtures	1,449	1,449	-
Land	266,000		266,000
Total All Fixed Assets	\$ 1,073,578	\$ 96,335	\$ 977,243

Total depreciation expense for the year ended September 30, 2008 was \$28,975 of which \$2,136 was charged directly to the equipment net assets.

**NOTE F – LOAN PAYABLE**

At September 30, 2008, the long-term debt of the Center consisted of the following:

Deferred loan from the Department of Housing & Community Development - EHAP. The loan period is for 10 years, beginning with the completion of the project which occurred in the 05/06 fiscal year.

The loan is secured by deed of trust with an interest rate of 3%. \$ 1,000,000



## MOUNTAIN WOMEN'S RESOURCE CENTER

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2008

(With Comparative Totals for 2007)

#### NOTE F – LOAN PAYABLE – (Continued)

Future principal maturities on the mortgages are as follows:

Year Ending September 30: 2009 - 2013	\$ -
Thereafter	<u>1,000,000</u>
	<u>\$ 1,000,000</u>

The EHAP loan was for the acquisition costs of land and a modular building to be used for a domestic violence shelter. At the completion of the 10-year loan term, if the property is still being used as a transitional shelter, the loan will be forgiven.

#### NOTE G– DONATED SERVICES

The Center receives a significant amount of donated services from volunteers, primarily in the operations of the crisis hotline. The organization records volunteer hours as in-kind against its OES matching requirements. Contributions and related expenses recognized as in-kind match for the year ended September 30, 2008 totaled \$93,750.

#### NOTE H – DONATED ITEMS

The Center receives donated items in the form of clothing, toys, house wares, and similar small items. Most items received are used and have a nominal fair market value. The organization has elected not to reflect these items in the financial statements, as they are deemed immaterial.

#### NOTE I – DEFINED CONTRIBUTION PLAN

The Center maintains a Simplified Employee Pension Plan that qualifies under the provision of Section 408(k) of the Internal Revenue Code for all eligible employees. This plan allows eligible employees to make an elective deferral. An employee is eligible under the plan if they have completed at least 2,000 hours of service. If the employee chooses to contribute to the plan, the Center matches up to 3% of the employee's salary. Total employer contributions for the year ended September 30, 2008 was \$12,035.



**MOUNTAIN WOMEN'S RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2008**  
**(With Comparative Totals for 2007)**

**NOTE J – COMMITMENTS AND CONTINGENCY**

**Commitments**

The Center conducts its administrative and a portion of its shelter operations on leased premises. Future obligations on non-cancelable leases are as follows:

Year Ending,	9/30/2009	\$	61,345
	9/30/2010		64,412
	9/30/2011		16,908
		\$	<u>142,665</u>

For the year ended September 30, 2008, the total rent expense for the administrative and program offices were \$59,644.

**Contingency**

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Center deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the organization to the provisions of the grants. The Center's management is of the opinion that the organization has complied with the terms of all grants.

## ADDITIONAL INFORMATION

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2008**

Grantor / Pass-Through Grantor / or Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Grant Amount	Amounts Earned
<b><u>Federal Awards</u></b>				
<b><u>U.S. Department of Justice:</u></b>				
<b><u>Pass-Through Program From:</u></b>				
Office of Emergency Services:				
Sexual Assault - VOCA (6/08)	16.575	RC 07121508	\$ 101,219	\$ 72,371
Sexual Assault - VOCA (6/09)	16.575	RC 08131508	95,520	21,559
CHAT Program	16.575	AT 09021508	132,372	132,205
Domestic Violence - VOCA (6/08)	16.575	DV 07121508	93,132	69,854
Domestic Violence - VOCA (6/09)	16.575	DV 08131508	80,079	19,806
Domestic Violence - VAWA (6/08)	16.588	DV 07121508	5,195	3,897
Domestic Violence - VAWA (6/09)	16.588	DV 08131508	8,844	2,187
<i>Total U.S. Department of Justice</i>			\$ 516,361	\$ 321,879
<b><u>U.S. Department of Health &amp; Human Services:</u></b>				
<b><u>Pass-Through Program From:</u></b>				
Office of Emergency Services:				
Domestic Violence - FVPS (6/08)	93.671	DV 07121508	\$ 52,006	\$ 39,008
Domestic Violence - FVPS (6/09)	93.671	DV 06111508	60,857	15,052
<i>Total U.S. Department of Health &amp; Human Services:</i>			\$ 112,863	\$ 54,060
<b><u>U.S. Federal Emergency Management Agency</u></b>				
<b><u>Pass-Through Program From:</u></b>				
Emergency Food and Shelter Program				
Emergency Food & Shelter Grant Program	83.523	25-0926-00	\$ 9,791	\$ 4,977
<i>Total U.S. Federal Emergency Management Agency</i>			\$ 9,791	\$ 4,977
<b><u>U.S. Department of Homeland Security</u></b>				
<b><u>Pass-Through Program From:</u></b>				
Emergency Food and Shelter Program				
Emergency Food & Shelter Grant Program	97.024	26-0926-00	\$ 12,000	\$ 3,770
<i>Total Department of Housing &amp; Urban Development:</i>			\$ 12,000	\$ 3,770
<b><u>U.S. Department of Agriculture:</u></b>				
<b><u>Pass-Through Program From:</u></b>				
California Department of Social Services-				
Child Care Food Program - Centers	10.558	55-3199-OH	\$ 7,180	\$ 5,131
<i>Total Department of Agriculture:</i>			\$ 7,180	\$ 5,131
<b><u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u></b>			\$ 658,195	\$ 389,817

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2008**

<u>Grantor / Pass-Through Grantor / or Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Grant Amount</u>	<u>Amounts Earned</u>
<b><u>State Awards:</u></b>				
<b><u>California Department of Health Services:</u></b>				
Rape Prevention Education (10/09)		05-45595	\$ 193,269	\$ 44,477
Shelter (6/08)		05-45055	221,329	172,138
Shelter (6/09)		05-45055	199,198	39,996
<i>Total California Department of Health Services:</i>			\$ <u>613,796</u>	\$ <u>256,611</u>
 <b><u>Office of Emergency Services:</u></b>				
Sexual Assault (6/08)		RC 07121508	\$ 36,976	\$ 26,438
Sexual Assault (6/09)		RC 0813508	36,976	8,345
Domestic Violence (6/08)		DV07121508	32,118	24,090
Domestic Violence (6/09)		DV 08131508	28,906	7,150
<i>Total Office of Emergency Services:</i>			\$ <u>98,000</u>	\$ <u>39,585</u>
 <b><u>TOTAL EXPENDITURES OF STATE AWARDS</u></b>			 \$ <u><u>711,796</u></u>	 \$ <u><u>296,196</u></u>

**Note 1. Basis of Presentation:**

This schedule of expenditures of federal and state awards includes the federal and state grant activity of Mountain Women's Resource Center and is presented on the accrual basis of accounting.

**Report on Internal Control over Financial Reporting  
And on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance  
With Government Auditing Standards**

February 13, 2009

Board of Directors  
**Mountain Women's Resource Center**  
Sonora, California

We have audited the financial statements of **Mountain Women's Resource Center** as of and for the year ended September 30, 2008, and have issued our report thereon dated. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

*Internal Control Over Financial Reporting*

In planning and performing our audit, we considered **Mountain Women's Resource Center's** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financials statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be presented or detected by the entity's internal control.

**Report on Internal Control over Financial Reporting  
And on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance  
With Government Auditing Standards**

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Mountain Women's Resource Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and the OES Recipient Handbook, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our auditing procedures disclosed no instance of noncompliance with those requirements, which is required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, board of directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in dark ink that reads "Randolph Scott & Co." with a stylized flourish at the end.

Certified Public Accountants, Inc.

SUPPLEMENTAL REPORTING REQUIREMENTS OF THE  
OFFICE OF EMERGENCY SERVICES

MOUNTAIN WOMEN'S RESOURCE CENTER

STATUS OF CASH

YEAR ENDED SEPTEMBER 30, 2008

OES - SEXUAL ASSAULT

Grant No.:	RC 07121508	RC 08131508
Grant Period:	<u>10/1/07-6/30/08</u>	<u>7/1/08-9/30/08</u>
Grant Cash Received:	\$ 99,064	\$ -
Grantee Matched Funds:	16,978	5,233
Grant Expenditures:	<u>(115,850)</u>	<u>(35,137)</u>
Cash on hand at the end of grant period	\$ <u>192</u>	\$ <u>(29,904)</u>

OES - DOMESTIC VIOLENCE

Grant No.:	DV 07121508	DV 08131508
Grant Period:	<u>10/1/07-6/30/08</u>	<u>7/1/08-9/30/08</u>
Grant Cash Received:	\$ 136,849	\$ -
Grantee Matched Funds:	25,760	12,686
Grant Expenditures:	<u>(162,609)</u>	<u>(56,881)</u>
Cash on hand at the end of grant period	\$ <u>-</u>	\$ <u>(44,195)</u>

OES - CHAT

Grant No.:	AT 09021508
Grant Period:	<u>10/1/07-9/30/08</u>
Grant Cash Received:	\$ 101,806
Grantee Matched Funds:	33,093
Grant Expenditures:	<u>(165,298)</u>
Cash on hand at the end of grant period	\$ <u>(30,399)</u>

See accompanying notes to program statements



**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**STATEMENT OF APPROVED BUDGET AND CUMULATIVE EXPENDITURES**  
**CLOSED GRANT YEARS**  
**YEAR ENDED SEPTEMBER 30, 2008**

	<u>Budget</u>	<u>Expenditures Claimed</u>		<u>Total</u>	<u>Unexpended</u>
		<u>7/1/07-9/30/07</u>	<u>10/1/07-6/30/08</u>	<u>Expenditures</u>	<u>To-Date</u>
<b><u>OES - Sexual Assault</u></b>					
<b><u>Grant No. RC 07121508</u></b>					
<b><u>July 1, 2007 to June 30, 2008</u></b>					
Personal Services	\$ 135,441	\$ 40,490	\$ 76,637	\$ 117,127	\$ 18,314
Operating Expenses	28,059	6,968	39,213	46,181	(18,122)
Equipment				-	-
Totals	\$ <u>163,500</u>	\$ <u>47,458</u>	\$ <u>115,850</u>	\$ <u>163,308</u>	\$ <u>192</u>

	<u>Budget</u>	<u>Expenditures Claimed</u>		<u>Total</u>	<u>Unexpended</u>
		<u>7/1/07-9/30/07</u>	<u>10/1/07-6/30/08</u>	<u>Expenditures</u>	<u>To-Date</u>
<b><u>OES - Domestic Violence</u></b>					
<b><u>Grant No. DV 07121508</u></b>					
<b><u>July 1, 2007 to June 30, 2008</u></b>					
Personal Services	\$ 160,066	\$ 42,916	\$ 109,007	\$ 151,923	\$ 8,143
Operating Expenses	61,882	16,423	53,602	70,025	(8,143)
Equipment	-			-	-
Totals	\$ <u>221,948</u>	\$ <u>59,339</u>	\$ <u>162,609</u>	\$ <u>221,948</u>	\$ <u>-</u>

	<u>Budget</u>	<u>Total</u>	<u>Unexpended</u>
		<u>Expenditures</u>	<u>To-Date</u>
<b><u>OES - CHAT</u></b>			
<b><u>Grant No. AT 09021508</u></b>			
<b><u>October 1, 2007 to Sept. 30, 2008</u></b>			
Personal Services	\$ 139,280	\$ 124,020	\$ 15,260
Operating Expenses	26,185	41,278	(15,093)
Equipment	-	-	-
Totals	\$ <u>165,465</u>	\$ <u>165,298</u>	\$ <u>167</u>

See accompanying notes to program statements

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**STATEMENT OF APPROVED BUDGET AND CUMULATIVE EXPENDITURES**  
**YEAR ENDED SEPTEMBER 30, 2008**

	<u>Budget</u>	<u>Expenditures Claimed</u>	<u>Unexpended To-Date</u>
<b><u>OES - Sexual Assault</u></b>			
<b><u>Grant No. RC 08131508</u></b>			
<b><u>July 1, 2008 to September 30, 2008</u></b>			
Personal Services	\$ 129,465	\$ 25,005	\$ 104,460
Operating Expenses	26,911	10,132	16,779
Equipment			-
Totals	<u>\$ 156,376</u>	<u>\$ 35,137</u>	<u>\$ 121,239</u>

<b><u>OES - Domestic Violence</u></b>			
<b><u>Grant No. DV 08131508</u></b>			
<b><u>July 1, 2008 to September 30, 2008</u></b>			
Personal Services	\$ 154,975	\$ 42,810	\$ 112,165
Operating Expenses	61,836	14,071	47,765
Equipment	-		-
Totals	<u>\$ 216,811</u>	<u>\$ 56,881</u>	<u>\$ 159,930</u>

See accompanying notes to program statements

**MOUNTAIN WOMEN'S RESOURCE CENTER**  
**STATEMENT OF COSTS CLAIMED AND ACCEPTED**  
**FOR CONTRACTS COMPLETED DURING THE 07/08 FISCAL YEAR**  
**YEAR ENDED SEPTEMBER 30, 2008**

	Per OES-201 Costs Claimed	Costs Accepted	Per Audit Costs Questioned	Costs Recommended for Adjustment
<b><u>OES - Sexual Assault</u></b>				
<b><u>Grant No. RC 07121508</u></b>				
<b><u>July 1, 2007 to June 30, 2008</u></b>				
Personal Services				
Personal service expenses	\$ 108,800	\$ 108,800	\$	\$
In-Kind match	25,305	25,305		
Total Personal Services	<u>134,105</u>	<u>134,105</u>	<u>-</u>	<u>-</u>
Operating Expenses				
Operating expenses	29,203	29,203		
In-Kind match	-	-		
Total Operating Expenses	<u>29,203</u>	<u>29,203</u>		
Equipment	-	-		
Totals	<u>\$ 163,308</u>	<u>\$ 163,308</u>	<u>\$ -</u>	<u>\$ -</u>

**OES - Domestic Violence**  
**Grant No. DV 07121508**  
**July 1, 2007 to June 30, 2008**

Personal Services				
Personal service expenses	\$ 139,221	\$ 137,046	\$	\$
In-Kind match	12,701	26,438		
Total Personal Services	<u>151,922</u>	<u>163,484</u>	<u>-</u>	<u>-</u>
Operating Expenses				
Operating expenses	70,026	58,464		
In-Kind match				
Total Operating Expenses	<u>70,026</u>	<u>58,464</u>		
Equipment	-	-		
Totals	<u>\$ 221,948</u>	<u>\$ 221,948</u>	<u>\$ -</u>	<u>\$ -</u>

**OES - CHAT**  
**Grant No. AT 09021508**  
**October 1, 2007 to September 30, 2008**

Personal Services				
Personal service expenses	\$ 93,907	\$ 93,907	\$	\$
In-Kind match	30,113	30,113		
Total Personal Services	<u>124,020</u>	<u>124,020</u>	<u>-</u>	<u>-</u>
Operating Expenses				
Operating expenses	32,541	32,541		
In-Kind match	8,737	8,737		
Total Operating Expenses	<u>41,278</u>	<u>41,278</u>		
Equipment	-	-		
Totals	<u>\$ 165,298</u>	<u>\$ 165,298</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to program statements

MOUNTAIN WOMEN'S RESOURCE CENTER

NOTES TO PROGRAM STATEMENTS

YEAR ENDED SEPTEMBER 30, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The program statements have been prepared from the grant budget approved by OES, the Report of Expenditures, and Request for Funds (Form OES-201), and Mountain Women's Resource Center's records.

The Form OES-201 was prepared by the Center's personnel in accordance with OES requirements. The basis of accounting used in prepared the forms may differ from accounting principles generally accepted in the United States of America. Accordingly, the accompanying program statements are not intended to present the financial position and results of operations of the Center in conformity with accounting principles generally accepted in the United States of America.

**MOUNTAIN WOMEN'S RESOURCE CENTER**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED SEPTEMBER 30, 2008**

**SECTION I: SUMMARY OF AUDIT RESULTS**

**Financial Statements**

Type of auditor's report issued:

Unqualified

Internal control over financial reporting:

- |   |       |     |       |   |    |
|---|-------|-----|-------|---|----|
| * Material weakness(es) identified?   | _____ | yes | _____ | X | no |
| * Control deficiency(s) identified that are not considered to be material weaknesses? | _____ | yes | _____ | X | no |
| * Noncompliance material to financial statements noted?                               | _____ | yes | _____ | X | no |

**SECTION II: FINANCIAL STATEMENTS FINDINGS**

**PRIOR YEAR AUDIT FINDINGS AND RECOMMENDATIONS**

None.

**CONTROL DEFICIENCIES - MATERIAL WEAKNESSES**

None.

**CONTROL DEFICIENCIES – NON-MATERIAL WEAKNESSES**

None.